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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, FEBRUARY 10, 1999

APPLICATION OF

RED HILL UTILITY COMPANY

CASE NO. PUE980916

For a certificate of public convenience and necessity

ORDER INVITING WRITTEN COMMENTS AND REQUESTS FOR HEARING

On December 21, 1998, Red Hill Utility Company ("Red Hill" or "the Company") filed its application for a certificate of public convenience and necessity. In its application, the Company requests authority to provide water and sewer service to Red Hill Mobile Home Park located in Prince George County, Virginia.

In addition, the Company requests approval of the following tariff:

WATER RATES

Metered Rates:

Per Month	Rate per 1,000 Gallons
For the first 1,000 gallons All over 1,000 gallons	\$11.00 \$ 3.00

There shall be a monthly minimum service charge of \$4.00 per month for water service. The minimum monthly service charge shall become effective when the water service is connected to the lot.

SEWERAGE RATES

Per Month Rate per 1,000 Gallons

For the first 1,000 gallons \$15.00 All over 1,000 gallons \$3.00 Bills shall be rendered monthly.

Red Hill charges a customer deposit, the maximum amount of which shall not exceed the customer's estimated liability for two months usage. The Company also charges a meter test fee of \$20 if a meter test has been conducted within the past twenty-four (24) months, unless the meter is found to have an average error greater than two (2) percent, in which case the test will be at no charge to the customer. Red Hill's tariff also contains a turn-on charge of \$10.00 when it becomes necessary to discontinue service because of a violation of the rules and regulations of service. In addition, Red Hill has a bad check charge of \$25.00, and a late payment fee of 1 1/8 per month on any customer charges not timely paid.

The Company's tariff with its rules and regulations of service may be viewed during regular business hours at the Commission's Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia and at the Applicant's office located at 3812 Puddledock Road, Prince George, Virginia 23875, during the hours of 9:00 a.m. to 4:00 p.m. Monday through Friday.

NOW THE COMMISSION, having considered Red Hill's application, is of the opinion and finds that this application should be docketed, that the Company shall file certain financial information based on the proposed test year, that Staff should investigate and analyze the application and present its recommendations to the Commission and that the public should have an opportunity to comment and request a hearing on the application. Accordingly,

IT IS ORDERED THAT:

- (1) This matter is docketed and assigned Case No. PUE980916.
- (2) The Company shall make a copy of its application and exhibits available for public inspection at the office of Red Hill Utility Company, 3812 Puddledock Road, Prince George, Virginia 23875, during the hours of 9:00 a.m. and 4:00 p.m., Monday through Friday.
- (3) Any interested person wishing to comment on the application shall, on or before March 15, 1999, address such comments to: Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, and shall refer to Case No. PUE980916. A copy of such comments shall be simultaneously sent to the Company as follows: C. Ray Beard, Red Hill Utility Company, 3812 Puddledock Road, Prince George, Virginia 23875.

- (4) On or before March 15, 1999, any person desiring a hearing in this matter shall file a request for hearing in writing with Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, and shall refer in his or her request to Case No. PUE980916. A copy of such request shall be simultaneously sent to the Company as follows: C. Ray Beard, Red Hill Utility Company, 3812 Puddledock Road, Prince George, Virginia 23875.
- (5) The Company shall file with the Clerk, State
 Corporation Commission, c/o Document Control Center, P.O.
 Box 2118, Richmond, Virginia 23218, on or before March 1, 1999,
 certain financial data based on the Company's proposed test
 year. Such information shall include, at a minimum, an income
 statement, balance sheet, statement of cash flows, and Red
 Hill's most recent tax return.
- (6) Appropriate members of the Commission's Staff shall investigate the application and shall submit, on or before May 13, 1999, a report presenting their findings and recommendations.
- (7) On or before February 26, 1999, the Company shall mail the following notice (bill inserts are acceptable) to all of its customers located in Prince George, Virginia.

NOTICE OF APPLICATION OF RED HILL UTILITY COMPANY FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY CASE NO. PUE980916

Notice is hereby given that Red Hill Utility Company ("Red Hill" or "the Company") has applied to the State Corporation Commission for a certificate of public convenience and necessity. In its application, Red Hill requests authority to provide water and sewer service to the Red Hill Mobile Home Park located in Prince George County, Virginia. In addition, the Company requests approval of the following tariff:

WATER RATES

Metered Rates:

<u>Per Month</u>	Rate per 1,000
	Gallons
For the first 1,000 gallons	\$11.00
All over 1,000 gallons	\$ 3.00

There shall be a monthly minimum service charge of \$4.00 per month for water service. The minimum monthly service charge shall become effective when the water service is connected to the lot.

SEWERAGE RATES

Per Month	Rate per 1,000 Gallons
For the first 1,000 gallons	\$15.00
All over 1,000 gallons	\$ 3.00

Bills shall be rendered monthly.

Red Hill charges a customer deposit, the maximum amount of which shall not exceed the customer's estimated liability for two months usage. The Company also charges a meter test fee of \$20 if a meter test has been conducted within the past twenty-four (24) months, unless the meter is found to have an average error greater than two (2) percent, in which case the test will be at no charge to the customer. Red Hill's tariff also contains a turn-on charge of \$10.00 when it becomes necessary to discontinue service because of a violation of the rules and regulations of service. addition, Red Hill has a bad check charge of \$25.00, and a late payment fee of 1 1/2% per month on any customer charges not timely paid. The Company has filed its rules and regulations of service as part of its application, the details of which may be reviewed by interested parties.

While the total revenues that may be approved is limited to the amount produced by the Applicant's proposed rates, PLEASE TAKE NOTICE that individual rates and charges approved by the Commission may be either higher than or lower than those proposed by the Corporation.

A copy of Red Hill's application is available for public inspection at the Company's office located at 3812 Puddledock Road, Prince George, Virginia 23875, during the hours of 9:00 a.m. to 4:00 p.m., Monday through Friday. The application is also available for public inspection Monday through Friday, 8:15 a.m. to 5:00 p.m. at the State Corporation Commission, Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia.

Comments on this application must be submitted to the Clerk, State Corporation

Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218 on or before March 15, 1999. Requests for hearing must also be received by the Clerk on or before March 15, 1999. All correspondence should refer to Case No. PUE980916. A copy of the comments or requests for hearing must also be sent to the Company as follows: C. Ray Beard, Red Hill Utility Company, 3812 Puddledock Road, Prince George, Virginia 23875.

The Commission may act upon the application without a hearing in the absence of a sufficient written request.

RED HILL UTILITY COMPANY

- (8) The Company shall serve a copy of this Order on the Chair of the Board of Supervisors of any county and upon the Mayor or Manager of any county, city, or town (or equivalent officials in counties, town and cities having alternate forms of government) lying within the Company's service area. Service shall be made by first-class mail or delivery to the customary place of business or residence of the person served.
- (9) On or before March 5, 1999, the Company shall provide the Commission with the proof of notice required in Ordering Paragraphs (7) and (8).